

John Boehner
Chairman
8th District, Ohio

House Meets at 10:00 a.m. for Legislative Business

Anticipated Floor Action:

H.Res. 129—Committee Funding Resolution

H.R. 2—Housing Opportunity and Responsibility Act



H.Res. 129—Committee Funding Resolution

Floor Situation: The House will consider H.Res. 129 as its first order of business today. Yesterday, the Rules Committee granted a closed rule providing one hour of debate, equally divided between the chairman and ranking minority member of the House Oversight Committee. The rule provides for consideration of the resolution without any intervening point of order. The rule adopts a committee amendment in the nature of a substitute as base text. Finally, the rule provides for one motion to recommit.

Summary: H.Res. 129 authorizes \$149.9 million over two years for the basic operations of 18 House committees in the 105th Congress (excluding the House Appropriations and Government Reform & Oversight Committees). Although this represents an increase of two percent each year over the funding level of \$143.7 million for the 104th Congress, it is still a \$46.3 million decrease from the authorization levels for the 103rd Congress, a 24 percent reduction. The resolution maintains the one-third reduction in committee staff levels passed by the last Congress. The resolution was introduced by Mr. Thomas and reported by the House Oversight Committee by voice vote.

Views:

Republican Leadership: Supports

Chairman Thomas: Supports

Additional Information: See *Legislative Digest*, Vol. XXVI, #11, April 25, 1997.



H.R. 2—Housing Opportunity and Responsibility Act

Floor Situation: The House will continue consideration of H.R. 2 after it completes consideration of H.Res. 129. Yesterday, the House completed general debate and will now begin considering amendments to the bill under an open rule. The rule makes in order, before the consideration of any other amendment, an amendment by Mr. Lazio printed in the *Congressional Record*. The amendment is debatable for 10 minutes and, if adopted, will serve as base text for purposes of further amendment. The rule waives House rules which (1) require that committee reports be available for three days prior to consideration, (2) require a CBO cost estimate in the committee report, and (3) prohibit appropriations in a legislative bill. The rule accords priority in recognition to members who have their amendments pre-printed in the *Congressional Record*. It allows the chairman of the Committee of the Whole to postpone votes during consideration, and reduce the voting time on a postponed vote to five minutes, so long as it follows a regular 15-minute vote. Finally, the rule provides one motion to recommit, with or without instructions.

Summary: H.R. 2 replaces the 1937 United States Housing Act—the basis of all federal housing programs—with a new housing framework. The bill consolidates into a new block grant program the existing programs through which tenant-based rental assistance is currently provided through Section 8 certificates and vouchers. It creates new rental assistance programs very similar to vouchers, known as “Choice-Based Housing Assistance,” which provide rental assistance for a single year at a time (currently, most vouchers provide assistance for two years) and allow families to use their vouchers for housing anywhere in the United States. The bill also (1) deregulates the public housing system by giving more decision making responsibilities to the nation’s 3,400 public housing authorities (PHAs); (2) repeals the so-called “Brooke Amendment” and allows recipients to pay either a flat rent or an amount up to 30 percent of their income; (3) requires able-bodied individuals who live in public housing or who receive rental assistance to contribute eight hours of community service per month or participate in an accepted economic self-sufficiency program (e.g., job training); (4) requires that up to 35 percent of residents have incomes at or below 30 percent of area median income (65 percent of new tenants may be from the “working poor,” those who hold jobs and earn no more than 80 percent of an area’s median income); and (5) makes federal housing grants through the Department of Housing and Urban Development (HUD) available to local governments to implement locally-developed proposals upon HUD’s approval of the plan. The bill authorizes funding for approximately 37 percent of programs under HUD’s jurisdiction, and authorizes \$8 billion for these programs for the next five fiscal years. CBO estimates that enactment will result in net new discretionary outlays of \$42.6 billion over the next five years. H.R. 2 was introduced by Mr. Lazio and was reported by the Banking & Financial Services Committee by a vote of 28-19 on April 23, 1997.

Amendments: At press time, the Legislative Digest was aware of the following amendments to H.R. 2:

Manager’s Amendment

Mr. Lazio may offer a manager’s amendment (#15) to make a number of technical and conforming changes to the bill. The amendment also (1) allows PHAs to use any extra money earned from increases in rental income to provide additional vouchers, (2) clarifies that the \$15 million authorized in the bill for the resident opportunity program is authorized through the capital fund instead of through the operating subsidy fund, (3) replaces the \$1.86 billion authorization for choice-based

housing assistance (the merger of the old Section 8 certificate and voucher program) with “such sums as may be appropriated,” and (4) clarifies that the \$50 million authorized for assistance to nonelderly disabled tenants can also be used for elderly tenants when housing becomes designated as “elderly only.” Finally, the amendment makes technical changes to the home rule flexibility grant (Title IV) to ensure that residents under any local jurisdiction’s proposed housing plan be provided with adequate rent protections. *Staff Contact: Aquiles Suarez, Housing Subcommittee Majority Staff, x5-6634*

The Kennedy Substitute

Mr. Kennedy (MA) may offer an amendment in the nature of a substitute (#10) to (1) repeal the Brooke Amendment and allow tenants to pay a flat rent of up to 30 percent of their income; (2) establish a minimum rent of between \$0 and \$25 (the bill sets a minimum of between \$25 and \$50) with mandated hardship exemptions for those families, including legal immigrants, who have lost any type of public assistance because of the 1996 welfare reform law; (3) require housing authorities to reserve 40 percent of public housing units for families with incomes at or below 30 percent of the area median income, while making 90 percent of units available to families with income at or below 60 percent of the area median income and the remaining 10 percent to families with incomes at or below 80 percent of the area median income (H.R. 2 requires that up to 65 percent of new tenants be from the “working poor,” those who hold jobs and earn no more than 80 percent of an area’s median income. At least 35 percent of the remaining new residents would be those earning less than 30 percent of the median income in the area).

Furthermore, the substitute amendment:

- * requires a housing authority to target 75 percent of its Section 8 tenant-based rental housing assistance to families with incomes at or below 30 percent of the area median income, and target all assistance toward families who make 50 percent or less of the area median income;
- * requires housing authorities to encourage the tenants to volunteer in their community;
- * authorizes the creation of a board within HUD to determine how to improve its methods of evaluating the performance of PHAs and raise those issues with Congress;
- * streamlines and consolidates the funding streams for public housing, establishing an operating fund to cover day-to-day operations and a capital fund to cover modernization expenses and other capital costs;
- * establishes a mixed-finance program so that PHAs can use their operating and capital funds in conjunction with other federal, state, local and conventional funds to provide mixed-income housing;

- * merges the two tenant-based rental housing assistance programs (Section 8 certificate and voucher programs) into one tenant-based assistance program; and
- * expands the drug elimination program to permit formula based funding to PHAs that demonstrate a need, based on crime data, to administer crime reduction programs, such as installing security systems in the developments or conducting after-hour programs for at-risk youth.

To list some of the major differences between the Kennedy substitute and H.R. 2, the substitute does *not* (1) repeal the 1937 Housing Act; (2) require public housing tenants to perform community service or sign self-sufficiency contracts, (3) create an accreditation board for PHAs, (4) require PHAs to establish market rent levels for each public housing unit, (5) create a local block grant, or (6) permit PHAs to meet their targeting requirements by increasing the number of low-income families in their tenant-based assistance programs above the mandated targeting requirement. ***Staff Contact: Nancy Libson or Angela Garcia, Housing Subcommittee Minority Staff, x5-7054***

Title I — General Provisions

Mr. Knollenberg may offer an amendment (#34) to require that applicants or recipients of public housing assistance disclose the income information they provide to HUD. The amendment's intent is to fight fraud and abuse from people who fail to properly disclose their income. ***Staff Contact: Deron Zeppelin, x5-5802***

Mr. Smith (MI) may offer an amendment (#37) to narrow the definition of "resident program." The bill currently requires PHAs to report annually on resident programs and services which provide training for resident organizations who participate in the management of public housing developments. These programs include counseling on household management, housekeeping, budgeting, money management, home ownership issues, and other matters. Amendment supporters believe that local housing authorities are charged with an unreasonable amount of responsibility. The purpose of the amendment is to enable local housing authorities to focus on housing-related problems and issues first, and then allow them to determine what other services they wish to offer. ***Staff Contact: Harrison Fox, x5-6276***

Mr. Smith (MI) may offer an amendment (#39) to allow local housing authorities to define their own pet ownership policies. ***Staff Contact: Harrison Fox, x5-6276***

Mr. Vento may offer an amendment (#22) to require PHAs to include in the local housing management plan procedures for coordinating with entities that provide assistance to homeless families within the jurisdiction of the agency. ***Staff Contact: Kristen Johnson, x5-6631***

Ms. Waters may offer an amendment (#26) to limit the exclusion from administrative grievance procedures to only those evictions that involve criminal or drug-related activity, or any other activity which threatens the health, safety, or right of peace of other tenants. The bill currently mandates that public housing agencies exclude all evictions from civil grievance proceedings. ***Staff Contact: Catherine Atkin, x5-2201***

Community Service Requirements

Mr. Frank may offer an amendment (#3) to make the community work and self-sufficiency contracts optional if insufficient federal funds are provided to carry out the program. The member argues that a PHA should not be required to enforce community work requirements unless federal funds are provided to do so. *Staff Contact: Marcia Kuntz, x5-5931*

Mr. Jackson may offer an amendment (#8) to (1) strike provisions which require tenants to enter into community service contracts in order to live in public housing and (2) restrict PHAs from evicting families who do not meet the eight-hour community work requirement. *Staff Contact: Hilary Weinstein, x5-0773*

Mr. Jackson may offer an amendment (#9) to exempt single parents of children under age seven, elderly persons, and persons with disabilities from the community service contract requirements. *Staff Contact: Hilary Weinstein, x5-0773*

Ms. Jackson-Lee may offer an amendment (#29) to strike the community work requirements, except for provisions which (1) require cooperative agreements between local governments and PHAs, and (2) ensure that residents whose public assistance was decreased as a result of inability to find work, despite compliance with welfare requirements, will receive a rent reduction according to current calculations of residential rental payments. *Contact: x5-3816*

Mr. Watt may offer an amendment (#27) to strike the bill's requirement that residents of public housing must volunteer eight hours per month of community service. The member argues that residents should not be subjected to forced volunteerism as a condition of tenancy in public housing. *Staff Contact: Erika Jeffers, x5-1510*

Title II — Public Housing

Ms. DeGette may offer an amendment (#1) to allow public housing block grant funds to be used for child care services. The member argues that local authorities should be able to provide quality, affordable child care for low-income, working families. *Staff Contact: Chris Robichaux, x5-4431*

Mr. Delay may offer an amendment (#2) to place a two-year time limit on public housing subsidies to families who also receive Aid to Families with Dependent Children (AFDC). The amendment stipulates that families cannot simultaneously receive AFDC and public housing subsidies for more than two years and encourages PHAs to replace families who have exceeded the time limit with other AFDC recipients or working families who are on the waiting list. The amendment exempts working families, the elderly, the disabled, and families who have a job in the private sector from the two-year time limit. For families who reach the two-year time limit and must leave their community to find employment, the amendment gives them preference in Section 8 housing in the community nearest to their new place of employment. *Staff Contact: Ralph Hellmann, x5-0197*

Mr. Gutierrez may offer an amendment (#6) to allow bonds for public housing to be issued by state and local agencies. This amendment is also included in the manager's amendment. *Staff Contact: Laura Scharfenberg, x5-8203*

Mr. Klink and Mr. Doyle may offer an amendment (#14) to require the HUD Secretary to consult with local elected officials before providing funding to develop any housing or property not previously used as public housing in their communities. The bill already contains provisions requiring HUD and local governments to work together on public housing issues. It currently prohibits the HUD Secretary from making any grant under this title (for public housing) to a public housing authority unless the governing body of the locality involved has entered into an agreement with HUD providing for local cooperation with the HUD Secretary. Furthermore, whereas the bill requires that ample notice be provided to localities in most instances, the amendment intends to eliminate any confusion over situations that arise outside of the normal process, such as with court orders or consent decrees, by requiring that local governments be notified in all instances. **Staff Contacts: Emmett O’Keffe (Klink); x5-2565 and Joe Snodgrass (Doyle), x5-2135**

Mr. Moran may offer an amendment (#36) to allow PHAs with waiting list backlogs of one year or more to limit the duration of occupancy for any family that includes an adult tenant who receives welfare assistance to only five years of public housing assistance with exceptions for the elderly, the disabled, and families with a working member. **Contact: x5-4376**

Mr. Vento may offer an *en bloc* amendment (#23 and #24) to exempt legal immigrants who lost their welfare benefits because of the 1996 welfare reform law from the bill’s minimum rent requirements. Under the bill, local housing authorities are allowed, but not required, to grant “hardship” exemptions from minimum rent requirements. **Staff Contact: Kristen Johnson, x5-6631**

Public Housing Block Grants

Mr. Frank may offer an amendment (#4) to authorize such sums as necessary (as determined by HUD’s performance funding system) for the PHA operating fund for FYs 1998-2002. In order to fund the needs of PHA operations. Currently, the bill authorizes \$2.9 billion for the operating fund. **Staff Contact: Marcia Kuntz, x5-5931**

Income and Assistance Targeting/Homeownership

Ms. Jackson-Lee may offer an amendment (#30) to require PHAs to set preferences for at least 50 percent of available units for families who live in substandard housing, pay more than 50 percent of their income for rent, or are involuntarily displaced (i.e., homeless) at the time they are seeking housing assistance. The bill abolishes all current federal housing preferences. **Contact: x5-3816**

Mr. Smith (MI) may offer an amendment (#38) to require local housing management plans to report in their annual local management plans a description of the desired number of additional families targeted for achieving home ownership on a year-to-year basis. **Staff Contact: Harrison Fox, x5-6276**

Rent Reforms

Mr. Frank may offer an amendment (#5) to strike the provision in the bill that gives public housing tenants the choice to pay a flat rate for rent. The bill currently allows renters to choose to pay

between a flat rate or up to 30 percent of their income for rent. The member argues that the only tenants who choose a flat rate, which often will be higher than the 30 percent rate, will do so because they are not informed of their options. **Staff Contact: Marcia Kuntz, x5-5931**

Mr. Kennedy (MA) may offer an amendment (#11) to modify the bill's public housing income targeting provisions to (1) require that 40 percent of public housing units each year (instead of 30 percent as required in the bill) be provided to families with incomes below 30 percent of the area median income, and (2) allow 90 percent of public units be made available to families who make less than 60 percent of the area median income. Furthermore, the amendment deletes the bill's "fungibility" provision, which allows housing authorities to meet their target for providing public housing units to very low-income families by exceeding the mandated targeting requirement for rental assistance vouchers to such families. **Staff Contact: Scott Olson, x5-5111**

Ms. Velazquez may offer an *en bloc* amendment (#43 and #44) to change the minimum monthly rent requirement from between \$25 to \$50 (as in the bill) to between \$0 and \$25 and give the HUD Secretary the authority to create categories for hardship exemptions to waive minimum rent requirements for tenants. **Staff Contact: Catherine Cruz-Wojtasik, x5-2361**

Title III — Choice Based Housing and Homeownership Assistance

Choice-Based Rental Assistance

Mr. Kennedy (MA) may offer an amendment (#12) to alter the bill's assisted housing income targeting provisions. Currently, the bill reserves at least 40 percent of tenant-based Section 8 vouchers (renamed choice-based assistance in the bill) for families with incomes at or below 30 percent of the area median income, with the remainder going to families who earn up to 80 percent of area median income. The amendment requires that 75 percent of choice-based rental vouchers issued each year be provided to families with incomes below 30 percent of the area median income. It also requires that all choice-based assistance be reserved for families making less than 50 percent of the median area income, the same level mandated under current law. **Staff Contact: Scott Olson, x5-5111**

Mr. Nadler and Mr. Schumer may offer an amendment (#18 or #19) to authorize funding to renew all expiring Section 8 choice-based assistance and tenant-based assistance contracts for FYs 1998-2002. Furthermore, the amendment authorizes \$305 million annually to provide 50,000 new one-year choice-based vouchers under this title. The authorization language in the bill does not preclude new incremental assistance. The members argue that the Section 8 programs are underfunded. **Staff Contacts: Zachery Katznelson (Nadler), x5-5635; Jim Kessler, x5-6616**

Title IV — Home Rule Flexible Grant Option

Mr. Kennedy (MA) may offer an amendment (#13) to delete Title IV of the bill, which creates a local block grant option to allow local governments, upon HUD's approval, to receive federal assistance to develop and administer their own flexible low-income housing programs (otherwise, the funding is provided directly to the public housing authority). **Staff Contact: Scott Olson, x5-5111**

Title V — Accountability and Oversight of Public Housing Agencies

Mr. Vento may offer an amendment (#25) to strike provisions of the bill that create a Housing Evaluation and Accreditation Board to evaluate the performance of local housing authorities. The bill creates the 12-member board to conduct a six-month study of alternative methods to evaluate the performance of public housing agencies. The amendment eliminates the board but allows the study to be conducted by the HUD Secretary. *Staff Contact: Kristen Johnson, x5-6631*

Title VI — Repeals and Related Amendments

Mr. Gutierrez may offer an amendment (#7) to allow the owner of a Section 8 housing development, in which 15 percent of the tenants pay more than 60 percent of fair market value, to cap rent at 60 percent of fair market value. Once more than 40 percent of the tenants pay at least the 60 percent cap, the cap may no longer be offered to new tenants. The member argues that this amendment will encourage mixed income housing and build up low income communities. *Staff Contact: Laura Scharfenberg, x5-8203*

Mr. Smith (MI) may offer one of two amendments (#40 or #41) to require that local housing authorities establish a pet ownership policy, and express the sense of Congress that, in doing so, they consider the positive effects of pet ownership. Currently, the bill allows residents of public housing units to keep a common household pet (such as a cat or dog). *Staff Contact: Harrison Fox, x5-6276*

Title VII — Affordable Housing and Miscellaneous Provisions

Mr. Ensign may offer an amendment (#28) to amend an existing repayment plan executed between HUD and the Las Vegas Housing Authority which compels the sale of senior housing units in Las Vegas. Specifically, the amendment (1) prohibits HUD from taking any action which decreases the inventory of senior housing owned by the Housing Authority for two years after enactment of the bill, and (2) requires HUD to work with the Housing Authority to identify alternative arrangements to repay the funds it owes HUD. *Staff Contact: John Lopez, x5-5965*

Ms. Johnson (CT) and Mr. Castle may offer an amendment (#33) to ban sexual predators from public housing by denying their applications for admission. This would target only the most violent repeat sexual offenders as defined by Megan's Law and the subsequent Jacob Wetterling Registration Act. *Staff Contacts: Scott Cahill (Johnson), x5-4476; Joan Clark (Castle), x5-4165*

Mr. Knollenberg may offer an amendment (#35) to authorize HUD to reveal certain income information received from the Social Security Administration (SSA) and the Internal Revenue Service (IRS) to a public housing authority in order to help fight fraud and abuse. The amendment intends to reduce the amount of fraud and abuse that exists when public housing tenants fail to properly report their income. *Staff Contact: Deron Zeppelin, x55802*

Mr. McCollum may offer one of two amendments (#16 or #17) to (1) prohibit HUD from establishing a national occupancy standard (the bill currently contains a similar prohibition); (2) affirm the

rights of the states to establish their own occupancy standards; and (3) set a national default standard in the absence of any state standards. The amendments differ in how they define the default standards in the absence of state standards. Amendment #16 establishes an occupancy standard of two persons per bedroom, as defined in a 1991 HUD memo, while Amendment #17 establishes an occupancy standard of two persons plus infants per bedroom, the same standard currently in the bill. **Staff Contact:** *Jenn Hargon, x5-2176*

Mr. Traficant may offer one of two amendments (#20 or #42) to require HUD to consider the level of regional cooperation demonstrated in development proposals when awarding Economic Development Initiative (EDI) grants. The amendment is intended to encourage communities to embrace a cooperative regional approach when applying for EDI grants instead of working against each other. **Staff Contact:** *Brian Clark, x5-5261*

Additional Information: See *Legislative Digest*, Vol. XXVI, #11, April 25, 1997.



PLEASE NOTE: UNDER AN OPEN RULE, MEMBERS MAY OFFER ENTIRELY NEW AMENDMENTS TO A BILL AT ANY TIME, REGARDLESS OF WHETHER THEY HAVE BEEN PRE-PRINTED IN THE *CONGRESSIONAL RECORD*.

Brian Fortune: *Editor*

S. Kevin Washington:
Senior Legislative Analyst

Becci Clark, Melissa Decker,
Jimmy Papadimitriou, Kevin Smith:
Legislative Analysts

House
REPUBLICAN
Conference

Legislative
Digest